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FOR IMMEDIATE RELEASE

Mesa Man Indicted on Investment Fraud Charges

(Phoenix, Ariz. – Oct. 26, 2007) Attorney General Terry Goddard today announced the indictment of Owen A. Vilan, 49, of Mesa, on charges of fraud, theft, securities fraud and sale of unregistered securities and transactions by unregistered dealers or salesmen.

According to the indictment, Vilan set up a business called Vilan Enterprises, Inc., which was also called Saguaro Investments, Inc. Through this company, the defendant sold "investment contracts" on the false promises that he would use those funds to successfully buy and sell other securities. The victims were promised annual returns of between 36 percent and 48 percent on their investment contracts. Between 2004 and 2007, it is alleged that Vilan obtained over \$10 million from victims.

According to court documents, Vilan failed to disclose that he was not licensed to sell securities in Arizona, nor were his businesses licensed in Arizona or elsewhere. It is alleged that Vilan co-mingled investor funds with his personal funds and converted investor funds for unauthorized uses.

In March 2007, the Arizona Corporation Commission ordered Vilan and Saguaro Investments, Inc. to cease and desist from securities activity. According to the indictment, the defendant continued selling investment contracts through an entity called Desert Group Investments.

On Oct. 25, Maricopa County Superior Court Judge Timothy Ryan appointed a receiver for all of Vilan's assets.

The indictment is the result of a joint investigation between the Arizona Corporation Commission and the Attorney General's Special Investigations Section. Vilan will be arraigned Oct. 31 in Maricopa County Superior Court. If convicted of all charges, he faces more than 50 years in prison.

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